

## **DOES EMPLOYEE INVOLVEMENT REALLY INCREASE EMPLOYEE PRODUCTIVITY – AN EMPLOYEE PERCEPTION BASED STUDY: (EVIDENCE FROM BANKING INDUSTRY OF BANGLADESH)**

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### **ABSTRACT**

*The purpose of this paper is to analyze the relationship between employee involvement and productivity evidence from the banking industry. A self-administrated survey method was used to conduct the study. Data were collected from 100 bank employees through a well-structured questionnaire. The results were analyzed through frequency analysis, mean and standard deviation, t-test and canonical correlation by using SPSS 23 package software. For demographic information of gender of the respondents, sample t-test was used and found that there is no significant difference of response between male and female also difference of response between public banks and private banks towards employee involvement and employee productivity. Canonical Correlation shows the relationship between employee involvement and employee productivity. The research helps to understand the relationship between employee involvement and employee productivity in the banking industry of Bangladesh. It will also make a worthy contribution to the literature and enhance the knowledge in this subject area as it provides authentic results that can be used in further research.*

**KEYWORDS:** Employee Involvement, Elements of Employee Involvement, Employee Productivity, Factors of Employee Productivity, Banking Industry

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### **INTRODUCTION**

Employee involvement is rightly viewed as a key aspect of productivity. However, employee involvement was revolutionized when McGregor and Herzberg first started writing about the topic in their articles “The Human Side of Enterprise” and “Work and the nature of Man”. An involved employee is aware of the business context and works with colleagues to improve the overall productivity of the organization. On the other hand, employee productivity means the output of a worker at a specific time, such as an hour, day, week or month with employee’s efficiency and effectiveness. It also measures the capability of an employee or a group of the workforce. In recent years, employee’s involvement on the job has been viewed as an essential factor in their productivity. Like other sectors, employee involvement affects the quality of service in banks with a consequent effect on their productivity. Because involvement is a process of sharing and collaborating experience, knowledge and information among the employees within the bank. Involvement also helps to

reduce conflict between employees and higher authorities. When they have involved, they will feel that they are valued in the bank. Then they will more passionate to do their job and provide an essential suggestion for attaining the overall goal. Among various industries, the banking industry is used in this paper to show the relationship between employee involvement and productivity. One of the reasons for choosing the banking industry is that it largely influences the growth of any economy. Banks in the developed countries involve their employees to create a unique organization, but this scenario is comparatively low in developing country like Bangladesh. Various studies have been done in different fields of the banking sector in Bangladesh but few on this topic. So, there is limited empirical research that has been conducted on the subject matter in relation to the baking industry in Bangladesh. This research is conducted to find out, “Does Employee Involvement, Increase Employee Productivity?” – Evidence from the Banking Industry of a Developing Country (Bangladesh).

## **OBJECTIVE OF THE STUDY**

The objective of this study is to analyze the relationship between employee involvement and employee productivity in the banking industry of Bangladesh.

### **Secondary Objectives**

- To explore the significant difference (if any) existing in employee’s response to involvement towards the employee productivity in terms of gender.
- To investigate whether any significant difference exists in employee’s involvement towards the employee productivity in terms of public bank and private bank.

## **LITERATURE REVIEW**

### **Employee Involvement**

The word ‘involve’ is defined as the cause of participation in an activity or a situation (Phipps, S. T., Prieto, L. C. and Ndinguri, E. N. 2013). Employee involvement can be well-defined as the employee participation in the decision making process in an organization. Employee involvement creates a sense of ownership and responsibility; it is measured by how well employees have a feeling of possession and duty towards the organization (Amah, E. and Ahiauzu, A. 2013). Employee involvement is a managerial process that properly utilizes the capacity of the workforce besides its plan to enhance workers’ commitment to the overall organization’s prosperity (Lawler et al., 1989). Employee involvement is sometimes called participative management and it mentions how much workers share data, information, and control all through the organization (Randolph, 2000). Employee involvement is a special form of delegation where the subordinators can gain greater control and freedom of choice due to filling the communication gap among the management, co-workers, and subordinates. Involving the employee has a positive state of mind towards their job and also their organizational values. When employees have a positive outlook towards their job and their organizational values, they become more emotional about their duty, which increases their levels of enthusiasm to improve their assigned task. Employee involvement has four key elements such as Power, Information, Knowledge and Skills, and Rewards (Cummings & Worley, 2008; Lawler, 1986). The four elements of employee involvement are interdependent and they must be reformed or changed to achieve a progressive result, but lack of any one element than the value of involvement is likely to be trivial. Power offers authority to take participation in work-related decision-making process instead of control (Deci et al., 1994). When the manager or higher authority share their decision making power with their subordinates in various issues such as work methods, task assignment, performance outcomes, customer service, and employee selection than the workforce feel

involved in the organization. It has an impact on the individual's attitudes and behavior by satisfying their psychological need for proficiency, which inspires their desire to involve in the organization (Deci & Ryan, 1985). Information means pertinent information at an appropriate time (Cummings & Worley, 2008; Lawler, 1986). Timely access to relevant information permits employees to be effective and efficient self-managers as they would have to depend less on authority to perform their duties as well as it saves time. Also, quick access to needed information increases employee involvement by ensuring that the necessary information flows freely within the organization (O'Toole and Lawler, 2006). Without proper information, employees are restricted in their ability to make meaningful contributions to the organization. Knowledge and Skills is a process which provides training and other development programs (Cummings & Worley, 2008; Lawler, 1986). They also argue that training and development program can involve their employee in a better way. Training is a learning process which increases employee's knowledge and skills to accomplish their assigned job better (Cole, 1997). This knowledge and training program can enable employees to understand and contribute to overall performance. Rewards consist of intrinsic and extrinsic incentives for better involvement of an employee or the workforce (Cummings & Worley, 2008; Lawler, 1986). Incentives like profit sharing and stock ownership plans may improve motivation (Blinder, 1990). Employees desire incentives when the firm provides appropriate rewards for their job and then they are more involved in the workplace. The proper reward system and recognition of performance within a firm create a favorable atmosphere for employees and serve as a key motivator for employees to better involvement (Danish and Usman, 2010).

### **Employee Productivity**

Productivity is a relative concept and simply defined as the ratio of output divided by input, which cannot be proved to increase or decrease without a measurement, either of change from competitors or other standards at a certain point in time. Employee productivity is also referred to as workers' productivity, which is simply output divided by the number of workers, or more often by the number of hours worked (Nasar, 2002). Employee productivity is the number of goods and services that a worker produces at a specific time, such as an hour, day, week or month (Sharma and Sharma, 2014) and it is composed of employee's efficiency and effectiveness (Bhatti et al., 2007). It also takes into account the resources and costs of work done (Mathis et al., 2003). Employee productivity shows the capability of a worker or a group of workers in a specific period of time. Normally, the productivity of a given worker will be measured to average employees who do the similar work. If we want to calculate productivity, first we need to identify which inputs and outputs are used. The bank is primarily a service sector, so the concept of banking employee's productivity differs from the manufacturing sector. According to some researchers and practitioners, there are certain factors individually and collectively affect the performance of bank employees in a positive or negative way. There is a strong positive relationship between employee's productivity and benefits system. Performance related pays is one kind of benefit for an employee which has a direct impact on employee's productivity (Lazear, 1986). The benefits scheme consists not the only monetary term, but also non-monetary term such as pension scheme, sufficient leaves, work freedom, job security, etc. When an employee did his assigned job properly, then a reward is essential which enhance his motivation as well as interest in improving productivity (Akanbi, 2005). If the benefit is appropriate, then the employees work more energetically. Communication denotes to the act, contact or double interacts among the employees in delivering information, meanings, and understanding in addition to the importance of communication that cannot be overlooked in the bank and communication is directly linked to employee productivity (Camden & Witt, 1983). On the other hand, communication obstacles create a limitation for employees to discuss their routine problems with a colleague and upper manager as well as

they feel hesitation and fear which may lead them towards wrong decisions and it can affect their efficiency (Iqbal et al., 2015). The long working hour has a negative effect on employee's productivity as well as their family, the employer, and the community. Researcher indicates that nonstop work creates a chance for mistakes and faults. If the employees have some time during working hour for rest and relaxation, then they feel energetic and fresh (Iqbal et al., 2015). Basically working hour is mostly from 10 A.M to 4 P.M in Bangladesh, but a bank employee has no time limit. So, employees have to work longer hours, sometimes late at night. Motivation is positively related to the employee productivity. But it differs from employee to employee. According to Darmon (1974), motivation is the teaching of employees to channel their efforts towards organizational activities and thus enhance the performance of the said boundary crossing roles. A motivated workforce will also lead to better understanding, acceptance, commitment to implementation, understanding of objectives and decision making between higher management and employees or subordinates (Denton, 1991). Training is a systematic process which enhances the level of skill, knowledge, and competency that is necessary to perform work effectively (Gordon, 1992) as well as it keeps human resource up-to-date and effective training systems can be changed employee competencies (Wright & Geroy, 2001). Today's technologies as well as surrounding are always changing. For this reason, training can play a critical role. A trained employee will be confident and fully aware of his tasks comparative to the employee who is not being trained. A trained employee is an asset to the bank, on the other hand, a non-trained employee definitely creates a problem for the bank. Statt (1994) argues that the modern workplace environment is composed of technologies, computers, and machines as well as employee general furniture. A good workplace environment has a direct effect on employee productivity (Hameed and Amjad, 2009). To achieve high levels of employee productivity, the bank must ensure that the workplace environment is conducive to the employee. For this reason, the banking industry has been applying modern technologies to construct an office building in a way that can retain employees and leads to increase in productivity. Job stress is a common phenomenon and a part of the modern workplace. Besides other sectors, the level of stress among bank employees is also growing rapidly. Job stress is produced when an employee cannot cope with this available resources and job demands with personal abilities (French, et al., 1975). However, a small amount of stress (pressure) can increase an employee's productivity, but when it is too much then it creates a negative effect on productivity as well as mental and physical changes (Raeissi & Tavakoli, 2002). Job stress has a negative effect on employees' productivity within a bank and it reduces their efficiency.

### **The Relation between Employee Involvement and Employee Productivity**

When an employee is appointed, then salaries, as well as other facilities and general working conditions, are agreed in some way. But the number of unit or quality of output stays unspecified. It relies on employees' willingness to engage their full skills and know-how in the production process. This willingness depends on the organizational atmosphere better working conditions, co-operative relation with others and how much he/she want to involve in the organization. Within an organization, employee involvement practices can improve productivity at least three ways (E. Lawler III, and G. Ledford winter, 1981-82). First, employee involvement interventions can enhance communication and coordination among employees and organizational departments in this way that they can share their skills and experience to make a meaningful contribution to the decision process (McShane and Von Glinow, 2003). As a result, it improves productivity. It also helps to perform their different tasks that contribute to an overall task of an organization (E. Lawler III, and G. Ledford winter, 1981-82). Second, every employee has individual needs and they also want motivation. Engaging the employee in work-related decision management can improve their motivation, especially when they satisfy their individual needs. Motivation can also attract and retain the skilled worker. And a skilled worker can improve

productivity. It can improve employee performance when they have required skills and knowledge to fulfill the task as well as the modern technology and workplace atmosphere permit people to affect productivity (E. Lawler III, and G. Ledford winter, 1981-82). Third, employee involvement practices can improve the capability of employees through training, group problem-solving program, and communication. In this way, these practices qualify them to perform better. The qualified employees can improve productivity because they have proper training, skills, and work-related knowledge (E. Lawler III, and G. Ledford winter, 1981-82).

### **Research Gap**

The existing studies have repeatedly identified that employee involvement has a relationship with employee productivity, but their findings are not enough to create evidence because they do not mention clearly which variable is comparatively high or low. Edwinah Amah and Augustine Ahiauzu (2013) and Woodman (1989) in their paper recommended that further research in this area would add some better process and practices which will reveal more information about why employee involvement is needed for employee productivity. This study intends to address the gap in the literature by providing a more detailed analysis to show how Employee Involvement Increases Employee Productivity? – Evidence from the Banking Industry of a Developing Country (Bangladesh) and also clear those variables which are important. Despite the major effect of employee involvement on employee productivity, there prevails a very little empirical evidence regarding this topic. To bridge this gap in the literature, this study examines the relationship between employee involvement and employee productivity.

### **METHODOLOGY**

Quantitative research was conducted to know accurately and describe the actual state of the phenomenon at the time of the study. The target population for the study was the employees of the different banks in Khulna city. The total population for the study was 1428 (see table 1 in appendix I) bank employees of Khulna city (BBS, 2011) and the sample size was 100 by using Taro Yamane formula. Respondents were taken on convenience sampling method. In order to accomplish the study, primary data have been used. Primary data have been collected through a questionnaire from the different banks in Khulna City. The questionnaire is developed based on previous literature containing employee involvement and productivity indicators. The questionnaire contains three parts. The first part of the questionnaire consists of demographic information like Name, Designation, Bank Name, Contract No, Type of Bank, E-mail, Gender, Age, Education Level, Income Level and Working experience. The second part is composed of five points Likert scale. Each item used a 5 point Likert scale (1= strongly disagree, 2= Disagree, 3= Neutral, 4= Agree, 5= Stronglyagree) and the third part consisted of two comments. Data processing of this study includes editing, coding, classification, and tabulation. Information was collected from the employees of different level of public and private banks in Khulna City. Records were found from 100 respondents. Five types of analysis were carried out in this study; reliability test, frequency analysis, mean and standard deviation, independent t-test and canonical correlation. Data were analyzed by SPSS 23 version (package software). After analysis and interpretation, data have been presented using tables as well as written scripts. The overall Cronbach's ( $\alpha$ ) for 18 statements in this study is 0.807 (see table 2 in Appendix I) which indicates the very good reliability of variable and adequate for the study. That means the survey questionnaire was reliable to measure employee involvement and employee productivity. The questionnaire was prepared based on the relevant literature which denotes the content's validity.

## DATA ANALYSIS

### Demographic Information

In the field Survey, 100 questionnaires (50 in public bank and 50 in private bank) were distributed and collected. So, based on 100 respondents' the analysis was prepared. There were 85 males (85%) and 15 females (15%) who filled out the questionnaire. In this survey, income level was divided into four categories. The frequency test states that the 2 respondents' monthly income was less than 20,000tk which accounted for 2% and the lowest. On the other hand, 64 respondents' monthly income was above 40,000tk which accounted for 64% and show the highest frequency. Four categories of educational level were provided in the questionnaire to choose the respondents' educational level. The frequency test found that maximum 90 respondents were postgraduate, MBA which is 90% of the respondents. From the collected data, the youngest respondent was 26 years old and oldest respondent was 56 years old and the range is  $(56-26) = 30$  years and their mean of age was 35.81 years old which indicates the maximum employee age was 30 to 40 years. In this survey, respondents work experience was specific. When their experience showed in a month or combination of month and year, then it showed in decimal. The maximum work experience was 36 years and the minimum was 0.17 (2 months) and the range was  $(36-0.17) = 35.83$  years' statistics also showed that maximum employees worked between 5 to 10 years.

### Employee Involvement at a Glance

In this section, the researcher requests the respondents' perception as according to elements of employee involvement practices in the banking industry. Employee involvement has four elements such as power, information, knowledge and skills, and rewards. Under these four elements, six statements were made and respondents were required to show the level of agreement to the statement related to employee, involvement which was on a Likert scale of among of 1 to 5; (1= Strongly Disagree; 2= Disagree; 3= Neutral, 4= Agree; 5= Strongly Agree) this mean and standard deviation statistics are shown in table 3 (see Appendix I). From the table, all the mean value is higher than four points among these highest mean is 4.41 and the statement was whether the knowledge sharing process would improve the work process within the bank that means employees were agreed to the statement. The second highest mean was 4.36 by this statement, this research wanted to know whether the communication system is effective where they work. Here, communication refers to the information circulation system within the divisions of the bank or the branches of the bank. When this research investigates that whether the managers share their decision making power with their employees. That means whether the subordinates can participate in decision-making activities of the bank. This statement means was 4.21 which are third in rank. Besides the highest mean, the lowest mean was 4.09 by this statement this study wanted to know how power-sharing enhances their work autonomy and the grand mean was 4.22. Also from the table, a standard deviation is lower. It indicates that the dispersion is less and all score is near to the mean value. Employee involvement input results are noteworthy. Among these input sharing of knowledge shows in highly significant. That means the knowledge sharing process within the bank can improve the working process at the bank. This study also found that the female employees are more interested to share their knowledge than the male employees. Evidence also indicates that power sharing is the least significant and specifies that the male employees of public bank want the more work-related power to enhance their work autonomy rather than the female employees.

### Employees' Productivity at a Glance

For this study, the researcher wanted to the response from the respondent about the factor of employee productivity. Employee productivity has seven factors include a benefit, communication, long working hour, motivation,



training, workplace environment, and job stress. Under these seven factors, thirteen statements were made and respondents were required to determine the level at which respondents strongly disagreed to strongly agreed with the above statements relating to employee productivity in the banking industry, which was in a Likert scale of among of 1 to 5 points; (1= Strongly Disagree; 2= Disagree; 3= Neutral, 4= Agree; 5= Strongly Agree) this mean and standard deviation statistics are shown in table 4 (see Appendix I). Among this statement, the highest mean is 4.44 when the researcher wants to investigate that if the communication system is well, whether or not it enhances the high productivity of the employees and the respondents were agreed with this statement. The second highest mean is 4.42 the aim of this statement was to know whether employees feel that motivation can encourage the respondents to do the job in an ethical way. That means the workers become inspired by the motivation to do their own task. This research also inquires whether the total environment is favorable to the respondents' performance and productivity these statements mean is 4.37 that means the convenient physical layout of the bank enhance the employee's performance and productivity. On the other hand, the lowest mean is 3.38 which statement was that the respondents whether feel any boredom in their work. That means their regular routine work bore them or not. After that, the mean is 3.60 when this study intended to know whether or not bank work hours measure within the standard process. That means a well standard work schedule is followed by respondents' bank or not? This study also wanted to know from the respondents whether there is any difference between actual work hour and standard work hour where they work this mean is 3.79. The grand mean is 4.10. This is a good sign because the standard deviation is lower, the lower standard deviation is better because standard deviation measures the absolute variation of the distribution. It indicates that the dispersion is less and all score is near to the mean value. This result is significant among these inputs of the productivity communication system and is comparatively important. The statistical result ensures that a good communication system within the bank can lead to the high productivity of the bank employees. This paper also shows the present scenario of boredom in the banking industry's employees, which is the least significant that means maximum employees do not feel any boredom on their daily routine work rather they feel interested in their work but some public bank employees especially the male feel more boredom on their daily routine work.

### **Hypothesis One**

**Null Hypothesis:** There is no significant relationship between employee involvement and employee productivity.

**Alternative Hypothesis:** There is a significant relationship between employee involvement and employee productivity.

In this study, a canonical correlation was used to determine the relationship between employee involvement and employee productivity. A canonical correlation is used when there are multiple continuous dependent and independent variables and it shows the relationship between these two sets of variables. Canonical correlation measures the strength of the relationship between two sets of variables. One set is independent variable and another is dependent variables (Green, P.E., & Carrol. D. J., 1978b). In this study, independent set of variables measures employee involvement (Power, information, Knowledge, and Skills, Rewards) and a set of employee productivity (Benefit, Communication, Long working hour, Motivation, Training, Workplace environment and Job Stress) which is the dependent variable. Canonical correlation clarifies the variation between two sets of variables using a comparative small number of linear combinations. Here, employee involvement has four elements and employee productivity has seven factors. So, canonical correlation shows four canonical correlations (see table 5 in Appendix I). Table show that the canonical correlation coefficient is 0.875, 0.694, 0.456, and 0.347 and significant level .000, .000, .000, and .019 all canonical correlation coefficient based on the

significant level (0.05) are statistically significant. Canonical loading of employee involvement elements (power, information, knowledge and skills, and rewards) are 0.355, 0.363, 0.640, and 0.930 (see table 6 in Appendix I). All of the loading values, rewards is the highest of the employee involvement elements. It indicates that rewards among the employee involvement elements can play the highest role. Besides, canonical loading of employee productivity factors (benefit, communication, long working hour, motivation, training, workplace environment and job stress) are 0.954, 0.196, 0.290, 0.543, 0.509, 0.558 and 0.279 (see table 7 in Appendix I). All of the loading values, the benefit is the highest among the factor of employee productivity. So, we can interpret that, benefit role is the highest among the factor of employee productivity.

**Decision:** The null hypothesis fails to accept and thus alternative hypothesis is accepted implying that there is a significant relationship between employee involvement and employee productivity. The first hypothesis regarding the relationship between employee involvement and employee productivity revealed that there is a significant relationship between employee involvement and employee productivity in the banking industry of Bangladesh because significance level is lower than 0.05 ( $p < 0.05$ ) and these findings support the Woodman (1989) who indicated that employee involvement has a positive relationship with employee productivity. It signifies that employee involvement in their job increases their productivity of the banking industry. The statistical result shows among the four variables of employee involvement (power, information, knowledge and skills, and rewards) rewards are highly significant that bank provides (intrinsic or extrinsic) rewards based on employee performance for their better involvement in the bank where they work. On the other hand, among the seven inputs of employee productivity (benefit, communication, long working hour, motivation, training, workplace environment and job stress) more or less these inputs have an impact of employee productivity. Among these inputs benefits position is highly substantial. It illuminates that appropriate benefits system will enhance the employee productivity in the banking industry of Bangladesh.

## Hypothesis Two

**Null Hypothesis:** There is no significant difference in response between male and female towards employee involvement and employee productivity.

**Alternative Hypothesis:** There is a significant difference in response between male and female towards employee involvement and employee productivity.

In this study independent t-test was used to determine whether there is a statistically significant difference in the mean scores for the male and female.

The independent-samples t-test (or independent t-test, for short) compares the means between two unrelated groups on the same continuous, dependent variable. Alternately, independent t-test could use to understand whether there is any difference between the two groups. Table 8 (in appendix I) gives the result of the two groups (male and female). Under convenience factor, there were 85 in male and they had 8.33 mean score with a standard deviation of 1.61 while there were 15 people in female and they had 8.13 mean with a standard deviation of 1.25. The rest factors occurred in the same way. The Levene's Test for equality of the variances checks if the assumption of t-test has been meeting or not. The significant value of Levene's test for equality of the variances for elements of employee involvement such as power, information, knowledge and skills, rewards, are 0.470, 0.183, 0.599, and 0.592 respectively also factors of employee productivity such as benefit, communication, long working hour, motivation, training, workplace environment and job stress are 0.495, 0.491, 0.168, 0.454, 0.898, 0.463, and 0.149 respectively. And all the elements and factors values are higher than 0.05.



Here, there is no variable whose equal variances are not assumed. Now from the equal variance assumed row, under t-test for equality means row and significant two(2) tailed columns, the significant value of those elements of employee involvement such as power, information, knowledge and skills, rewards, are 0.655, 0.124, 0.509, and 0.772 respectively also factors of employee productivity such as benefit, communication, long working hour, motivation, training, workplace environment and job stress are 0.954, 0.415, 0.609, 0.267, 0.763, 0.373, and 0.140 respectively. All of those values are higher than 0.05 ( $p > 0.05$ ).

**Decision:** The null hypothesis is failed to reject implying that there is no difference response between male and female towards employee involvement and employee productivity. Results of the hypothesis revealed that there is no significant difference in response between male and female towards employee involvement and employee productivity ( $p > 0.05$ ). Among these variables power, rewards, benefit, long working hour, and job stress result showed that the male employees take into account these inputs rather than the female employees. This result clarifies that power and proper rewards system can increase the involvement of the male employees in the banking industry and long working hour, benefit, as well as job stress, affect the male employees' productivity. On the other hand, information, knowledge and skills, communication, motivation, training and workplace environment inputs are considered by the female bank employees. Evidence also indicates that knowledge and skills, as well as information sharing program can increase female employees' involvement in the banking industry; besides, motivation, communication, training and a good workplace environment also have an impact on the female employees' productivity in the banking industry.

### **Hypothesis Three**

**Null Hypothesis:** There is no significant difference in response between public and private banks towards employee involvement and employee productivity.

**Alternative Hypothesis:** There is a significant difference in response between public and private banks towards employee involvement and employee productivity.

In this study independent t-test was used to determine whether there is a statistically significant difference in the mean scores for the public and private banks. Table 9 (in appendix I) gives statistics between public and private banks response. Under the convenience factor, there were an equal number of respondents. 50 respondents were a public bank and they had 8.50 mean score with a standard deviation of 1.68. On the other hand, 50 respondents were a private bank and they had 8.10 mean score with a standard deviation of 1.40. The rest factors occurred in the same way. The Levene's Test for equality of the variances checks if the assumption of t-test has been meeting or not. The significant value of Levene's test for equality of the variances for elements of employee involvement such as power, information, knowledge and skills, rewards, are 0.312, 0.106, 0.458, and 0.002 respectively also factors of employee productivity such as benefit, communication, long working hour, motivation, training, workplace environment and job stress are 0.009, 0.001, 0.021, 0.158, 0.833, 0.926, and 0.498 respectively. And power, information, knowledge and skills, motivation, training, workplace environment and job stress are higher than 0.05. So, the equal variances assumed. But, rewards, benefit, communication and long working hour are lower than 0.05. So, the equal variances not assumed. Now from the equal variance assumed row, under t-test for equality means row and significance two (2) tailed columns, the significant value of those variables such as power, information, knowledge and skills, motivation, training, workplace environment and job stress are 0.200, 0.008, 0.000, 0.118, 0.407, 0.064, 0.242 respectively. And from equal variances not assumed row, the significant value of those variables such as rewards, benefit, communication and long working hour are 0.787, 0.125,

0.028, and 0.962 respectively. Some of those values are higher than 0.05 ( $p > 0.05$ ) and some of those are lower than 0.05 ( $p < 0.05$ ).

**Decision:** There is enough statistical evidence to reject the null hypothesis. Thus, an alternative hypothesis is accepted implying that there is a difference response between public banks and private banks towards employee involvement and employee productivity. Results of the third hypothesis revealed that there is a significant difference in response between public banks and private banks towards employee involvement and employee productivity. Statistical results show that employees' perception is not the same for both the public banks and private banks because some inputs results are significant ( $p < 0.05$ ) and some are insignificant ( $p > 0.05$ ). Among these inputs employees' perception about power, rewards, benefit, long working hour, motivation, training, workplace environment and job stress results are not significant about employee involvement and employee productivity. These findings also revealed that the difference of information, knowledge, and skills as well as communication is significant. Present employees view about these inputs is not similar and overall results indicate that the public bank position is higher than the private bank. Based on statistical evidence this research says that employee involvement practices and employee productivity opinion are not the same in the banking industry of Bangladesh.

## CONCLUSIONS

Based on the previous research (discussed in the literature review), it was expected that employee involvement has a relationship with employee productivity and this study supports the previous study. Among the four elements of employee involvement, rewards are more effective and efficient element of employee involvement. That means the highest degree of employee involvement caused by rewards. On the other hand, this study considers seven factors of employee productivity. Among these factors, a benefit is the most crucial factor in employee productivity. When employees receive appropriate benefit from their bank, then they feel obliged and responsible for the higher level of productivity. This study also ensures that employee involvement and employee productivity practice do not differ in terms of gender in the banking industry of Bangladesh. This study furthermore revealed that employee involvement and employee productivity practice is not the same in terms of public banks and private banks. Based on the results, the study recommends that the authority should enhance work-related power-sharing practice among the female employees for better involvement in their corresponding bank. The study also recommends that the current position of rewards as well as benefits should be retained or improved. The authority of the bank should be developed with other variables as well in order to involve their employee in the banking activities which will ultimately increase the productivity of the employee. The authority should try their best to create the same perception of employee involvement practices and productivity concept among the employees within the banking industry based on gender. This research has conducted only the banking industry of Khulna city and the sample size is not sufficient to generalize the results. Large sample size from the different geographic area should be considered in the future study. The present study considers seven factors of employee productivity but there are many other factors in employee productivity that can also be included in future research.

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## APPENDICES

**Table 1: Number of Bank and Employees**

Type of Bank	Number of Branches	Number of Employees
Public Bank	39	945
Private Bank	23	446
Foreign Bank	2	37
<b>Total</b>	<b>64</b>	<b>1428</b>

(Source: B.B.S, 2011)

**Table 2: Reliability Statistics**

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
0.807	0.815	18

**Table 3: Employee Involvement Variables and its Mean and Standard Deviation**

Statement	N	Mean	Standard Deviation
Bank Offers rewards based on performance	99	4.12	0.786
The communication is effective in this bank	99	4.36	0.826
Power sharing increases my work autonomy	100	4.09	0.965
Managers are willing to share decision-making power with employees	100	4.21	0.820
Knowledge sharing would improve work processes in the bank	100	4.41	0.698
Bank has an inbuilt system for periodically updating employee knowledge and skills	100	4.14	0.766
<b>Grand Mean</b>		<b>4.22</b>	

**Table 4: Employee Productivity Variables and its Mean and Standard Deviation**

Statement	N	Mean	Standard Deviation
Bank offers rewards based on performance	99	4.12	0.786
I feel the company's benefits meet my needs	99	4.16	0.681
A good communication system leads to high productivity	100	4.44	0.820
I feel great stress on my job	100	3.80	1.119
I am often bored with my job	99	3.38	1.267
The training I receive is relevant to my job	100	4.30	0.798
Bank provides adequate opportunity for training and professional development	100	4.28	0.712
Bank work hours do not measure within standard process	100	3.60	1.198
Actual work hour and standard work hour sometime do not match	100	3.79	1.241
Proper motivational training always results in higher productivity	100	4.29	0.795
Motivation can encourage workers to work in an ethical way	100	4.42	0.768
Employees can utilize their knowledge, skills, and ability within the bank	100	4.31	0.734
The general working environment favors my performance & productivity	100	4.37	0.774
<b>Grand Mean</b>		<b>4.10</b>	

**Table 5: Canonical Correlation**

Canonical Function	Canonical Correlation	Significance
1	0.875	.000
2	0.694	.000
3	0.465	.000
4	0.347	.019

**Table 6: Canonical Loading of Employee Involvement**

Variable	Loading
Power	0.355
Information	0.363
Knowledge and Skills	0.640
Rewards	0.930

**Table 7: Canonical Loading for Employee Productivity**

Variable	Loading
Benefit	0.954
Communication	0.196
Long Working Hour	0.290
Motivation	0.543
Training	0.509
Workplace Environment	0.558
Job Stress	0.279

**Table 8: T-Test Statistics for Gender**

	Gender of Respondents	N	Mean	Standard Deviation	Levene's Test for Equality of Variances (Sig.)	Significant (2tailed)
Power	Male	85	8.3294	1.60645	.470	.655
	Female	15	8.1333	1.24595		
Information	Male	84	4.3095	0.84989	.183	.124
	Female	15	4.6667	0.61721		
Knowledge and Skills	Male	85	8.5176	1.16099	.599	.509
	Female	15	8.7333	1.16292		
Rewards	Male	84	4.1310	0.77272	.592	.772
	Female	15	4.0667	0.88372		
Benefit	Male	84	8.2857	1.14672	.495	.954
	Female	15	8.2667	1.27988		
Communication	Male	85	4.118	0.83515	.491	.415
	Female	15	4.6000	0.73679		
Long Working Hour	Male	85	7.4353	2.02041	.168	.609
	Female	15	7.1333	2.53170		
Motivation	Male	85	8.6471	1.36892	.454	.267
	Female	15	9.0667	1.16292		
Training	Male	85	8.5647	1.36892	.898	.763
	Female	15	8.6667	1.16292		
Workplace Environment	Male	85	8.6353	1.17359	.463	.373
	Female	15	8.9333	1.27988		
Job Stress	Male	85	7.2824	2.03313	.149	.140
	Female	15	6.4000	2.55790		



**Table 9: T-Test Statistics for Type of Bank**

	Type of Bank	N	Mean	Stander Deviation	Levene's Test for Equality of Variances (Sig.)	Significant (2tailed)
Power	Public Bank	50	8.5000	1.68123	.312	.200
	Private Bank	50	8.1000	1.40335		
Information	Public Bank	50	4.5800	.64175	.106	.008
	Private Bank	49	4.1429	.93541		
Knowledge and Skills	Public Bank	50	9.0800	.94415	.458	.000
	Private Bank	50	8.0200	1.11557		
Rewards	Public Bank	50	4.1000	.97416	.002	.787
	Private Bank	49	4.1429	.54006		
Benefit	Public Bank	50	8.4600	1.29694	.009	.125
	Private Bank	49	8.1020	.98414		
Communication	Public Bank	50	4.6200	.56749	.001	.028
	Private Bank	50	4.2600	.98582		
Long Working Hour	Public Bank	50	7.3800	2.31137	.021	.962
	Private Bank	50	7.4000	1.87355		
Motivation	Public Bank	50	8.9200	1.10361	.158	.118
	Private Bank	50	8.5000	1.52864		
Training	Public Bank	50	8.6800	1.21957	.665	.407
	Private Bank	50	8.4800	1.18218		
Workplace Environment	Public Bank	50	8.9000	1.23305	.926	.064
	Private Bank	50	8.4600	1.11043		
Job Stress	Public Bank	50	7.4000	2.24972	.498	.242
	Private Bank	50	6.9000	1.99233		

